

THORP, REED & ARMSTRONG

2900 GRANT BUILDING
PITTSBURGH, PENNSYLVANIA 15219
TELEPHONE (412) 288-7711 CABLE THORREED, PITTSBURGH
TWX 710-664-4290

WRITER'S DIRECT DIAL NUMBER

288-7703

October 4, 1978

RECORDATION NO. 7965A

OCT 6 1978 - 10 04 AM

INTERSTATE COMMERCE COMMISSION

CHARLES M. THORP 1888-1942
EARL F. REED 1918-1963
CLYDE A. ARMSTRONG 1922-1975

KENNETH G. JACKSON
WILLIAM C. O'NEIL
JAMES S. CRAWFORD, III
JOSEPH E. MADVA
W. GORDON RAUCK
WILLIAM D. SUTTON
CLYDE W. ARMSTRONG
HENRY A. MORROW, JR.
FRANK J. GAFFNEY
WILLIAM W. SCOTT, JR.
JAMES B. HECHT
CHARLES WEISS
CHARLES R. VOLK
ELI KRIVOSHIA, JR.
EDMUND S. RUFFIN, III
THOMAS J. JACKSON
RALPH T. DESTEFANO
FRANK MAST
RALPH F. SCALERA
DAVID S. WATSON
CHARLES M. THORP, III
G. DANIEL CARNEY
WILLIAM M. WYCOFF
JOSEPH DUFF SHUMAN
MICHAEL YUKOVICH, JR.
ROBERT H. SHOOP, JR.
JERRY G. VEEGER
TIMOTHY M. SLAVISH

ROGER M. GOLDEN *
CARL H. HELLERSTEDT, JR.
JAMES K. GOLDBERG
RICHARD I. THOMAS
JOHN DEAN O'BRIEN
FRANK J. CLEMENTS
SCOTT E. HENDERSON
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CHESTER R. BABST, III
J. FRANK MCKENNA, III
KEITH H. WEST
DAVID A. SCOTT
RICHARD M. ZOMNIR
W. RODGERS MOORE
JEFFREY S. BLUM
DAVID G. RIES
MARTIN J. SAUNDERS
MARY M. DUPLAIN
JOHN W. EICHLEAY, JR.
RONALD J. WERNYAK
C. JAMES ZESZUTER
JOHN T. FERGUSON, II
JANE A. LEWIS
WILLIAM RODGERS, JR.
JOSEPH MACK III
JERRY F. PALMER
TIMOTHY M. SLAVISH

SENIOR COUNSEL
LOUIS CAPLAN
WILLIAM ANDERSON

* ADMITTED DISTRICT OF COLUMBIA ONLY

Interstate Commerce Commission
12th and Constitutional Avenue N.W.
Room 1227
Washington, D.C. 20423

Attention: Ms. Mildred Lee

Re: Recordation of Termination of Lease
Agreement between Lincoln National
Bank and National Steel

Dear Ms. Lee:

Enclosed for filing with the I.C.C. recordation section is an original and two certified true and correct copies of a Termination of Lease and Bill of Sale between Lincoln National Bank and Trust Company of Fort Wayne ("Lincoln") and National Steel Corporation ("National") dated September 26, 1978. The address of Lincoln is 116 East Berry Street, Fort Wayne, Indiana, and the address of National is 2800 Grant Building, Pittsburgh, Pennsylvania. *Record No. 7965*

This agreement covers eighty (80) 100 ton Rapid Discharge Coal Cars manufactured by Ortner Freight Car Company, Car Nos. NSAX 1000 through and including NSAX 1079.

As I mentioned to you over the phone, we have been unable to locate the recordation date, number and hours pertaining to the recordation of the original lease. Therefore, I am providing the following information in connection with that original lease and ask if you can accept these documents with

**THORP, REED
&
ARMSTRONG**

Interstate Commerce Commission
October 4, 1978
Page Two

this information in lieu of the recordation number and date:

1. The original lease was dated April 25, 1975 and was between Lincoln National Bank and Trust Company of Fort Wayne, Trustee, and National Steel Corporation.

2. The car numbers covered by the original lease and by the termination included herein are as follows:

NSAX 1000 through and including
NSAX 1079

Also enclosed is a check in the amount of \$10.00 to cover the filing fee for the Termination Agreement. The original document included herein should be returned to me after filing addressed as follows:

J. Frank McKenna, III
2900 Grant Building
Pittsburgh, Pennsylvania 15219

If you have any questions, please call me at (412) 288-7703. Thank you for your assistance.

Very truly yours,


J. Frank McKenna, III

JFMCK:mt
Enclosures
cc: Sidney E. Baker, III
George B. Angevine, Esq.

Interstate Commerce Commission
Washington, D.C. 20423

10/6/78

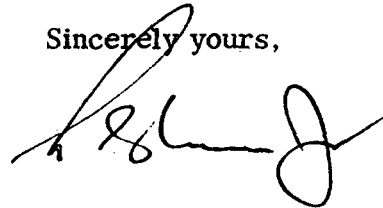
OFFICE OF THE SECRETARY

J. Frank McKenna, III
2900 Grant Building
Pittsburgh, Pennsylvania 15219

Dear Sir:

The enclosed document(s) was recorded pursuant to the
provisions of Section 20(c) of the Interstate Commerce Act,
49 U.S.C. 20(c), on 10/6/78 at 10:05am
and assigned recordation number(s) 7965-A

Sincerely yours,



H.G. Homme, Jr.,
Acting Secretary

Enclosure(s)

SE-30-T
(2/78)

THORP, REED & ARMSTRONG

2900 GRANT BUILDING
PITTSBURGH, PENNSYLVANIA 15219
TELEPHONE (412) 288-7711 CABLE THORREED, PITTSBURGH
TWX 710-664-4290

WRITER'S DIRECT DIAL NUMBER

288-7703

October 6, 1978

CHARLES M. THORP 1888-1942
EARL F. REED 1918-1963
CLYDE A. ARMSTRONG 1922-1975

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Interstate Commerce Commission
12th and Constitutional Avenue N.W.
Room 1227
Washington, D.C. 20423

Attention: Ms. Mildred Lee

Re: Recordation of Termination of Lease Agreement
between Lincoln National Bank and National Steel

Dear Ms. Lee:

Since my letter of October 4, 1978, I have learned that the original lease between Lincoln National Bank and National Steel was recorded as follows:

Date: June 17, 1975
No.: 7965

I trust that this information will assist you in recording the termination.

Very truly yours,



J. Frank McKenna, III

JFMCK:mt

cc: Sidney E. Baker, III
George B. Angevine, Esq.

OCT 6 1978 10 05 AM

INTERSTATE COMMERCE COMMISSION

TERMINATION OF LEASE AND BILL OF SALE

This Agreement is made this 26th day of September, 1978, between LINCOLN NATIONAL BANK AND TRUST COMPANY OF FORT WAYNE, Trustee, 116 East Berry Street, Fort Wayne, Indiana, hereinafter known as "Lessor," and NATIONAL STEEL CORPORATION, 2800 Grant Building, Pittsburg, Pennsylvania, hereinafter known as "Lessee."

RECITALS

1. Lessor and Lessee entered into a Lease dated April 25, 1975, hereinafter referred to as the "Lease," by which the Lessee leased from the Lessor the following property, hereinafter referred to as "Equipment":

Eighty (80) 100-ton Rapid Discharge Coal Cars manufactured by Ortner Freight Car Company, Cars Nos. NS AX 1000 through and including NS AX 1079.

2. The lease was for a term commencing April 25, 1975, and terminating May 22, 1987, at a total rental, if paid to maturity, of \$4,350,025.76.

3. Pursuant to Section 16, "Early Termination," of the Lease, the Lessee has the right to terminate the Lease under the condition provided for in the Lease. On the day specified for payment of the basic rent following the effective date of such termination, Lessee is to pay to Lessor the stipulated loss value of the Equipment determined as of the date of such payment pursuant to Schedule No. 01 to said Lease, said Schedule being attached hereto as Exhibit A and made a part of this Agreement.

4. Lessee has given sufficient written notice by letter to Mr. Sidney E. Baker, III, Vice President of the Lessor, of Lessee's intent to terminate and cancel the Lease and its leasehold interest and to release the Lessor from its obligations and responsibilities under the Lease, subject to the other terms included herein.

5. Lessor has consented to such termination and cancellation of the Lease and has agreed to the sale of the leased property to Lessee pursuant to the terms and conditions of said Lease, for valuable consideration by means of the Bill of Sale, which is part of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties, intending to be legally bound, agree as follows:

I. TERMINATION OF LEASEHOLD INTEREST

A. The Lease is hereby terminated and cancelled as of September 26, 1978, with the same force and effect as if the term of the Lease were fixed to expire on said date, and not on May 22, 1987, as provided in the lease, subject to the terms and conditions set forth below.

B. Lessor and Lessee are released and discharged from their respective future obligations to observe the terms and conditions of the Lease subject to the following continuing obligations of the Lessee to the Lessor:

- (i) To indemnify against all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including attorneys' fees, accruing prior to or on September 26, 1978, arising out of, connected with, or resulting from the Equipment, including, without limitation, the possession, use, operation and return of the Equipment prior to or on September 26, 1978.
- (ii) To pay all costs and expenses, including attorneys' fees incurred in exercising any rights or remedies available to the Lessor under the Lease or otherwise and reasonably incurred pursuant to the enforcement of the termination of the Lease pursuant to this Agreement.

II. BILL OF SALE OF EQUIPMENT

Lessee has given sufficient written notice of its intent to terminate the Lease and delivered to Lessor the sum of \$2,134,945.32, with interest of \$561.60 per day until full payment, and other good

and valuable consideration, receipt of which is hereby acknowledged by Lessor, as the appropriate stipulated loss value required to be paid under the Lease to effectuate an early termination of the Lease and as the purchase price for all of Lessor's right, title and interest in and to the Equipment, together with all indicia of ownership thereof.

Lessor, by this instrument, conveys all of Lessor's right, title and interest in and to the Equipment, together with all indicia of ownership thereof, effective as of September 26, 1978, disclaiming, however, all representations or warranties, express or implied, as to the condition, merchantability, design, operation of, or fitness for use of the Equipment, or any other representation or warranty whatsoever, express or implied, with respect to the Equipment, except the warranty of title.

Lessor will cooperate in the preparation and signing of any and all documents necessary to perfect filings with any state and/or federal regulatory agencies and/or documents necessary to perfect Lessee's title to the Equipment, including, but not limited to, a release or termination of the filing of the Lease as a security instrument with the Interstate Commerce Commission.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement and Bill of Sale the day and year first above written.

LINCOLN NATIONAL BANK AND TRUST
COMPANY OF FORT WAYNE, Trustee

By *Sidney P. ...*
Its *Vice President*

NATIONAL STEEL CORPORATION

By *R. P. ...*
Its *Vice Pres.*

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

On this 21st day of September, 1978, before me personally appeared Sidney E. Baker, III, to me personally known, who being by me duly sworn, says that he is the Vice President of Lincoln National Bank and Trust Company of Fort Wayne, that the seal affixed to the foregoing instrument is the complete seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jeanette M. Husted
Notary Public
JEANETTE M. HUSTED

My Commission Expires:

August 3, 1982

My County of Residence:

Allen

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF ALLEGHENY) SS:

On this 2nd day of OCTOBER, 1978, before me personally appeared G B ARGOVINE, to me personally known, who being by me duly sworn, says that he is the VICE PRESIDENT of National Steel Corporation, that the seal affixed to the foregoing instrument is the complete seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Barbara Sablaric
Notary Public

My Commission Expires:

Feb 3, 1980

My County of Residence:
BARBARA SABLARIC, NOTARY PUBLIC
Pittsburgh, Allegheny County, Penna.
My Commission Expires February 3, 1980

NATIONAL STEEL CORPORATION
AMORTIZATION SCHEDULE
CONFIDENTIAL

BAKER

05/19/75

DATE	PRINCIPAL	INTEREST (9.5000%)	PRINCIPAL RECOVERY	PAYMENT
5/22/75	100.00	0.35	0.	<u>0.35</u>
6/22/75	99.62	0.79	0.38	1.17
7/22/75	99.24	0.79	0.38	1.17
8/22/75	98.86	0.79	0.38	1.17
9/22/75	98.47	0.78	0.39	1.17
10/22/75	98.08	0.78	0.39	1.17
11/22/75	97.69	0.78	0.39	1.17
12/22/75	97.29	0.77	0.40	1.17
1/22/76	96.89	0.77	0.40	1.17
2/22/76	96.49	0.77	0.40	1.17
3/22/76	96.08	0.76	0.41	1.17
4/22/76	95.67	0.76	0.41	1.17
5/22/76	95.26	0.76	0.41	1.17
6/22/76	94.84	0.75	0.42	1.17
7/22/76	94.42	0.75	0.42	1.17
8/22/76	94.00	0.75	0.42	1.17
9/22/76	93.57	0.74	0.43	1.17
10/22/76	93.14	0.74	0.43	1.17
11/22/76	92.71	0.74	0.43	1.17
12/22/76	92.27	0.73	0.44	1.17
1/22/77	91.83	0.73	0.44	1.17
2/22/77	91.39	0.73	0.44	1.17
3/22/77	90.94	0.72	0.45	1.17
4/22/77	90.49	0.72	0.45	1.17
5/22/77	90.04	0.72	0.45	1.17

Exhibit A

✓

6/22/77	89.58	0.71	0.46	1.17
7/22/77	89.12	0.71	0.46	1.17
8/22/77	88.66	0.71	0.46	1.17
9/22/77	88.19	0.70	0.47	1.17
10/22/77	87.72	0.70	0.47	1.17
11/22/77	87.24	0.69	0.48	1.17
12/22/77	86.76	0.69	0.48	1.17
1/22/78	86.28	0.69	0.48	1.17
2/22/78	85.79	0.68	0.49	1.17
3/22/78	85.30	0.68	0.49	1.17
4/22/78	84.81	0.68	0.49	1.17
5/22/78	84.31	0.67	0.50	1.17
6/22/78	83.81	0.67	0.50	1.17
7/22/78	83.30	0.66	0.51	1.17
8/22/78	82.79	0.66	0.51	1.17
9/22/78	82.28	0.66	0.51	1.17
10/22/78	81.76	0.65	0.52	1.17
11/22/78	81.24	0.65	0.52	1.17
12/22/78	80.71	0.64	0.53	1.17
1/22/79	80.18	0.64	0.53	1.17
2/22/79	79.64	0.63	0.54	1.17
3/22/79	79.10	0.63	0.54	1.17
4/22/79	78.56	0.63	0.54	1.17
5/22/79	78.01	0.62	0.55	1.17
6/22/79	77.46	0.62	0.55	1.17
7/22/79	76.90	0.61	0.56	1.17
8/22/79	76.34	0.61	0.56	1.17
9/22/79	75.77	0.60	0.57	1.17
10/22/79	75.20	0.60	0.57	1.17
11/22/79	74.63	0.60	0.57	1.17
12/22/79	74.05	0.59	0.58	1.17
1/22/80	73.47	0.59	0.58	1.17
2/22/80	72.88	0.58	0.59	1.17
3/22/80	72.29	0.58	0.59	1.17
4/22/80	71.69	0.57	0.60	1.17
5/22/80	71.09	0.57	0.60	1.17

✓

6/22/80	70.48	0.56	0.61	1.17
7/22/80	69.87	0.56	0.61	1.17
8/22/80	69.25	0.55	0.62	1.17
9/22/80	68.63	0.55	0.62	1.17
10/22/80	68.00	0.54	0.63	1.17
11/22/80	67.37	0.54	0.63	1.17
12/22/80	66.73	0.53	0.64 ^{1.17}	1.17 ^{1.17}
1/22/81	66.09	0.53	0.64	1.17
2/22/81	65.44	0.52	0.65	1.17
3/22/81	64.79	0.52	0.65	1.17
4/22/81	64.13	0.51	0.66	1.17
5/22/81	63.47	0.51	0.66	1.17
6/22/81	62.80	0.50	0.67	1.17
7/22/81	62.13	0.50	0.67	1.17
8/22/81	61.45	0.49	0.68	1.17
9/22/81	60.77	0.49	0.68	1.17
10/22/81	60.08	0.48	0.69	1.17
11/22/81	59.39	0.48	0.69	1.17
12/22/81	58.69	0.47	0.70 ^{1.17}	1.17 ^{1.17}
1/22/82	57.98	0.46	0.71	1.17
2/22/82	57.27	0.46	0.71	1.17
3/22/82	56.55	0.45	0.72	1.17
4/22/82	55.83	0.45	0.72	1.17
5/22/82	55.10	0.44	0.73	1.17
6/22/82	54.37	0.44	0.73	1.17
7/22/82	53.63	0.43	0.74	1.17
8/22/82	52.88	0.42	0.75	1.17
9/22/82	52.13	0.42	0.75	1.17
10/22/82	51.37	0.41	0.76	1.17
11/22/82	50.61	0.41	0.76	1.17
12/22/82	49.84	0.40	0.77 ^{1.17}	1.17 ^{1.17}
1/22/83	49.06	0.39	0.78	1.17
2/22/83	48.28	0.39	0.78	1.17
3/22/83	47.49	0.38	0.79	1.17
4/22/83	46.70	0.38	0.79	1.17
5/22/83	45.90	0.37	0.80	1.17

6/22/83	45.09	0.36	0.81	1.17
7/22/83	44.22	0.36	0.61	1.17
8/22/83	43.46	0.35	0.82	1.17
9/22/83	42.63	0.34	0.83	1.17
10/22/83	41.80	0.34	0.83	1.17
11/22/83	40.96	0.33	0.84	1.17
12/22/83	40.11	0.32	0.85	1.17
1/22/84	39.26	0.32	0.85	1.17
2/22/84	38.40	0.31	0.86	1.17
3/22/84	37.53	0.30	0.87	1.17
4/22/84	36.66	0.30	0.87	1.17
5/22/84	35.78	0.29	0.88	1.17
6/22/84	34.89	0.28	0.89	1.17
7/22/84	34.00	0.28	0.89	1.17
8/22/84	33.10	0.27	0.90	1.17
9/22/84	32.19	0.26	0.91	1.17
10/22/84	31.27	0.25	0.92	1.17
11/22/84	30.35	0.25	0.92	1.17
12/22/84	29.42	0.24	0.93	1.17
1/22/85	28.48	0.23	0.94	1.17
2/22/85	27.54	0.23	0.94	1.17
3/22/85	26.59	0.22	0.95	1.17
4/22/85	25.63	0.21	0.96	1.17
5/22/85	24.66	0.20	0.97	1.17

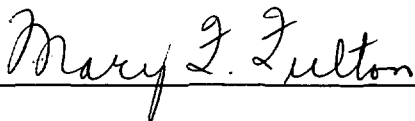
6/22/85	23.69	0.20	0.97	1.17
7/22/85	22.71	0.19	0.98	1.17
8/22/85	21.72	0.18	0.99	1.17
9/22/85	20.72	0.17	1.00	1.17
10/22/85	19.71	0.16	1.01	1.17
11/22/85	18.70	0.16	1.01	1.17
12/22/85	17.68	0.15	1.02	1.17
1/22/86	16.65	0.14	1.03	1.17
2/22/86	15.61	0.13	1.04	1.17
3/22/86	14.56	0.12	1.05	1.17
4/22/86	13.51	0.12	1.05	1.17
5/22/86	12.45	0.11	1.06	1.17
6/22/86	11.38	0.10	1.07	1.17
7/22/86	10.30	0.09	1.08	1.17
8/22/86	9.21	0.08	1.09	1.17
9/22/86	8.11	0.07	1.10	1.17
10/22/86	7.00	0.06	1.11	1.17
11/22/86	5.89	0.06	1.11	1.17
12/22/86	4.77	0.05	1.12	1.17
1/22/87	3.64	0.04	1.13	1.17
2/22/87	2.50	0.03	1.14	1.17
3/22/87	1.35	0.02	1.15	1.17
4/22/87	0.19	0.01	1.16	1.17
5/22/87	0.	0.	0.19	0.19

CERTIFICATION

Before me, the undersigned, personally appeared J. FRANK McKENNA, III, who being duly sworn states that he is an attorney representing National Steel Corporation and that the foregoing Termination of Lease and Bill of Sale between Lincoln National Bank and Trust Company of Fort Wayne and National Steel Corporation dated September 26, 1978 is a true and correct copy of the original of said agreement.


J. Frank McKenna, III

Sworn to and subscribed
before me this 4th day
of October, 1978.



NOTARY PUBLIC

MARY F. FULTON, NOTARY PUBLIC
PITTSBURGH, ALLEGHENY COUNTY
MY COMMISSION EXPIRES JAN. 31, 1981.
Member, Pennsylvania Association of Notaries